

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6094

BILL NUMBER: HB 1005

NOTE PREPARED: Feb 23, 2010

BILL AMENDED:

SUBJECT: Indefinite Teacher Contracts.

FIRST AUTHOR: Rep. Smith V

FIRST SPONSOR: Sen. Kruse

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Local

Summary of Legislation: This bill removes the age limit for teachers who hold an indefinite contract.

Effective Date: July 1, 2010.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The bill could have a small increase in the administrative cost of local schools. Under current law an indefinite contract expires when a teacher becomes 71 years of age. A school could then choose not to renew the contract. To terminate an indefinite contract requires some due process procedures. The increased cost is probably minor. In the 2008 school year there were about 180 teachers older than 70 employed by schools.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Local schools.

Information Sources: Teacher Retirement Fund, June 30, 2008, actuarial valuation.

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